

Message Text

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ACTION EUR-12

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E.O. 11652: N/A
TAGS: ELAB, BE
SUBJECT: STRIKE JEOPARDIZES CLAES PLAN FOR RESTRUCTURING
OF BELGIAN STEEL INDUSTRY

REF: BRUSSELS 11271

1. SUMMARY: LABOR-MANAGEMENT DISAGREEMENT OVER EARLY
PENSIONS AND A REDUCTION OF THE WORKWEEK HAS PRECIPITATED
A STRIKE IN BELGIUM'S AILING STEEL INDUSTRY. THUS FAR, THE
STRIKE ORDER HAS BEEN OBSERVED ONLY IN WALLONIA. THE STRIKE
APPEARS SIGNIFICANT FOR TWO REASONS: IT DAMAGES CHANCES FOR
EARLY REHABILITATION OF ONE OF BELGIUM'S AILING INDUSTRIES
AND IT REPRESENTS LIMITED OFFICIAL USE

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THE FIRST IMPORTANT DIVISION OF TRADE UNION ACTION ALONG
COMMUNITY (LINGUISTIC) LINES. END SUMMARY.

2. THE CLAES PLAN FOR THE RESTRUCTURING OF THE BELGIAN
STEEL INDUSTRY (REFTEL) HAS MET ITS FIRST MAJOR OBSTACLE
WITH THE FAILURE JUNE 21 OF "LAST CHANCE" LABOR-MANAGEMENT
NEGOTIATIONS WHICH RESULTED (TODAY)

IN WHAT WAS TO HAVE BEEN A NATIONWIDE STEEL STRIKE ON JUNE 22. FOR THE PRESENT, HOWEVER, THE STRIKE IS CONFINED TO WALLONIA.

3. THE COMMON FRONT UNION ACTION RESULTED FROM DISAGREEMENT ON TWO MAJOR ISSUES:

A) THE UNION DEMANDED AN IMMEDIATE REDUCTION OF THE WORKWEEK TO 38 HOURS. IN ITS FINAL OFFER, MANAGEMENT ACCEPTED IN PRINCIPLE, BUT WOULD HAVE IMPLEMENTED IN HALF-HOUR REDUCTIONS STAGED OVER AN 18-MONTH PERIOD. THIS WAS UNACCEPTABLE TO THE UNION NEGOTIATORS.

B) THE UNIONS DEMANDED AN EXTENSION OF EARLY PENSION (ALREADY AGREED UPON FOR REDUNDANT WORKERS) TO ALL WORKERS AGED 55 OR OVER, REGARDLESS OF THE PERSONNEL SITUATION IN THEIR PLANTS. MANAGEMENT REFUSED THIS, BUT MADE A COUNTEROFFER. THE EMPLOYERS WOULD HAVE RESERVED THE FOREGOING TYPE OF "PREPENSION" FOR WORKERS IN FIRMS WITH EXCESS PERSONNEL. THEY AGREED, HOWEVER, TO ESTABLISH A GENERALIZED "SOCIAL PREPENSION" FOR OTHER STEEL WORKERS AGED 58 OR OVER. BENEFITS UNDER THE LATTER SCHEME WOULD HAVE BEEN 10 PERCENT LESS THAN FOR REDUNDANT WORKERS. THE UNIONS REFUSED THIS COUNTER OFFER.

4. COMMENT.
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ALTHOUGH SPOKESMEN FOR THE SOCIALIST TRADE UNION (FGTB) ANNOUNCED THAT THEIR UNION WOULD SUPPORT THE ACTION IN WALLONIA, REPORTS INDICATE THAT THE STEEL INDUSTRY IN FLANDERS IS OPERATING NORMALLY. THIS FIRST IMPORTANT INSTANCE OF TRADE UNION ACTION DIVIDING ALONG COMMUNITY (LINGUISTIC) LINES IS BASED, IN PART AT LEAST, ON THE FACT THAT THE AILING WING OF THE BELGIAN STEEL INDUSTRY IS LOCATED ENTIRELY IN WALLONIA. FLEMISH STEELWORKERS, WHO GENERALLY DO NOT SHARE THE MORE RADICAL ANIMUS OF THEIR FRANCOPHONE BROTHERS, APPEAR TO HAVE RANKED SOLIDARITY SEEND TO COMMON SENSE. NONE OF THIS, OF COURSE, WILL FACILITATE THE LABOR-MANAGEMENT PEACE WHICH IS A NECESSARY PRECONDITION FOR THE ECONOMIC REHABILITATION OF THIS DEEPLY TROUBLED INDUSTRY. CHAMBERS

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